

**Amendments to the Claims:**

Please amend claims 1, 2, 5, 10-14, 21-44, 46 and 47.

Please cancel claims 15-20 without prejudice.

Please add new claims 48-58.

This listing of claims will replace all prior versions, and listings, of claims in the application:

### **Listing of Claims:**

1. (Currently Amended) A method for drilling in a floor of an ocean from a structure floating at a surface of the ocean using a rotatable tubular, a riser and a drilling fluid, comprising the steps of:

positioning at least a portion of a housing above the surface of the ocean;

allowing the floating structure to move independent of the housing;

communicating the drilling fluid from the floating structure to an annulus of the riser surrounding the rotatable tubular, comprising the steps of:

compensating for relative movement of the floating structure and the housing, comprising the steps of:

attaching a flexible conduit between the housing and the floating structure; and

moving the drilling fluid through the flexible conduit to the housing, and

moving the drilling fluid through the housing and into the annulus.

2. (Currently Amended) The method of claim 1, wherein the step of positioning at least a portion of the [a] housing above the surface of the ocean comprising the step of:

lowering the housing through a deck of the floating structure.

3. (Previously Presented) The method of claim 1, further comprising the step of: creating a mud cap at a downhole location.

4. (Previously Presented) The method of claim 1, further comprising the steps of: moving the drilling fluid down the annulus; and returning a portion of the drilling fluid up the rotatable tubular.

5. (Currently Amended) A method for communicating drilling fluid from a structure floating at a surface of [~~the~~] an ocean to a casing fixed relative to an ocean floor while rotating within the casing a tubular, comprising the steps of:

fixing a housing with the casing adjacent a first level of the floating structure;

allowing the floating structure to move independent of the housing;  
moving the drilling fluid from a second level of the floating structure above the housing down the casing; and  
rotating the tubular relative to the housing,  
wherein at least a portion of the housing is above the surface of the ocean,  
wherein a seal is within the housing, and  
wherein the seal contacts and moves with the tubular while the tubular is rotating.

6. (Original) The method of claim 5, further comprising the step of:  
compensating for relative movement of the structure and the housing during the step of moving.

7. (Original) The method of claim 5, further comprising the step of:  
pressurizing the drilling fluid to a predetermined pressure as the drilling fluid flows into the casing.

8. (Previously Presented) The method of claim 5, further comprising the step of:  
creating a mud cap at a downhole location.

9. (Original) The method of claim 5, further comprising the step of:  
returning a portion of the drilling fluid up the tubular to the floating structure while rotating the tubular.

10. (Currently Amended) A method for drilling in a floor of an ocean from a structure floating at a surface of the ocean using a rotatable tubular and a drilling fluid, comprising the steps of:

positioning a housing above a portion of a riser;  
allowing the floating structure to move independent of the housing; and  
communicating the drilling fluid from the structure to an annulus of the riser surrounding the rotatable tubular, comprising the step of:

moving the drilling fluid through a flexible conduit between the floating structure and the riser.

11. (Currently Amended) The method of claim 10, the step of communicating the drilling fluid further comprising the steps of:

moving a predetermined volume of the drilling fluid down the annulus [~~to a downhole location~~]; and

forming a mud cap [~~at the downhole location~~].

12. (Currently Amended) The method of claim 10, the step of communicating the drilling fluid further comprising the steps of:

moving the drilling fluid down the annulus of the riser; and

returning a portion of the drilling fluid up the rotatable tubular [~~to~~] towards the floating structure.

13. (Currently Amended) A method for drilling in a floor of an ocean from a structure floating at a surface of the ocean using a rotatable tubular and a drilling fluid, comprising the steps of:

removably inserting a rotatable seal in a portion of a riser;

allowing the floating structure to move independent of the riser;

communicating the drilling fluid from the floating structure to an annulus of the riser surrounding the rotatable tubular;

compensating for relative movement of the floating structure and the riser with a flexible conduit; and

forming a mud cap from the drilling fluid [~~at a downhole location~~].

14. (Currently Amended) A method for drilling in a floor of an ocean from a structure floating at a surface of the ocean using a rotatable tubular and a pressurized drilling fluid, comprising the steps of:

removably inserting a rotatable seal in a portion of a riser;

allowing the floating structure to move independent of the riser;

communicating the pressurized drilling fluid from the floating structure to an annulus of the riser surrounding the rotatable tubular;

compensating for relative movement of the floating structure and the riser with a flexible conduit;

moving the pressurized drilling fluid down the annulus; and

moving a portion of the pressurized drilling fluid up the rotatable tubular [to] towards the floating structure.

15.-20. (Cancelled)

21. (Currently Amended) A method for drilling in a floor of an ocean from a structure floating at a surface of the ocean using a rotatable tubular and a drilling fluid, comprising the steps of:

positioning a rotatable seal above an upper portion of a riser, the floating structure movable independent of the rotatable seal~~[- at least a portion of the rotatable seal positioned above the surface of the ocean];~~

pumping the drilling fluid from the floating structure through a flexible conduit between the floating structure and the riser;

moving the drilling fluid from the floating structure through an annulus of the riser surrounding the rotatable tubular ~~[to a downhole location];~~ and

forming a mud cap ~~[at the downhole location]~~.

22. (Currently Amended) The method of claim 21, wherein the step of pumping the drilling fluid comprises the step of:

pumping a volume of the drilling fluid from the floating structure through [a] the flexible conduit between the floating structure and the housing.

23. (Currently Amended) The method of claim 21, wherein the step of pumping the drilling fluid comprises the step of:

maintaining a desired pressure of the drilling fluid by a pump rate[s].

24. (Currently Amended) The method of claim 21, further comprising the step of: allowing debris and cuttings to flow into a theft zone below the mud cap.
25. (Currently Amended) The method of claim 21, further comprising the step of: pumping the drilling fluid down the rotatable tubular.
26. (Currently Amended) The method of claim 21, further comprising the step of: pressurizing the drilling fluid to a predetermined pressure.
27. (Currently Amended) The method of claim 21, further comprising the step of: pressurizing additional drilling fluid above the mud cap to allow debris and cuttings to flow into a theft zone instead of being circulated up the annulus.
28. (Currently Amended) The method of claim 1, further comprising the step of: pressurizing the drilling fluid to a predetermined pressure.
29. (Currently Amended) The method of claim 10, further comprising the step of: pressurizing the drilling fluid to a predetermined pressure.
30. (Currently Amended) The method of claim 13, further comprising the step of: pressurizing the drilling fluid to a predetermined pressure.
31. (Currently Amended) A method for drilling from a structure floating at a surface of an ocean, comprising:  
coupling the floating structure and a riser with a flexible conduit;  
moving a drilling fluid from the floating structure via the flexible conduit to an annulus of the riser surrounding a rotatable tubular; and  
circulating a portion of the drilling fluid down the annulus [~~and up the rotatable tubular~~].
32. (Currently Amended) The method of claim 31, further comprising the step of:

pressurizing the drilling fluid to a predetermined pressure as the drilling fluid flows into the annulus.

33. (Currently Amended) The method of claim 31, wherein the step of moving [a] the drilling fluid from the floating structure comprising the steps of:

pumping the drilling fluid through the flexible conduit; and  
managing a pressure of the drilling fluid in the annulus by controlling a pumping rate of the drilling fluid.

34. (Currently Amended) The method of claim 31, further comprising the step of:  
sealing the rotatable tubular to the riser with a rotatable seal, the rotatable seal rotating with the rotatable tubular.

35. (Currently Amended) The method of claim 31, further comprising the steps of:  
sealing the rotatable tubular to the riser with a rotatable seal, the rotatable seal rotating with the rotatable tubular; and  
maintaining a predetermined pressure of the drilling fluid with the [~~rotating~~]  
rotatable seal.

36. (Currently Amended) The method of claim 34, wherein the flexible conduit communicates the drilling fluid to the annulus below [~~via~~] the rotatable seal.

37. (Currently Amended) The method of claim 31, further comprising the steps of:  
moving the drilling fluid from the floating structure to the rotatable tubular; and  
pressurizing the drilling fluid in the annulus at a higher pressure than the pressure of the drilling fluid in the rotatable tubular.

38. (Currently Amended) A method for drilling from a structure floating at a surface of an ocean, comprising the steps of:  
disposing a housing with a portion of a riser, a portion of the housing extending above the surface of the ocean;

creating a mud cap at a downhole location, comprising:

communicating a drilling fluid from the floating structure to the housing via a flexible conduit;

moving the drilling fluid through the housing and into an annulus of the riser surrounding a [~~rotatable~~] tubular; and

moving the drilling fluid to a downhole location.

39. (Currently Amended) The method of claim 38, further comprising the steps of:  
introducing additional drilling fluids through the flexible conduit and into the annulus; and  
pressurizing the annulus above the mud cap with the additional drilling fluids.

40. (Currently Amended) The method of claim 38, wherein the step of communicating [a] the drilling fluid from the floating structure via [a] the flexible conduit comprising the step of:

communicating the drilling fluid from a mud pump via the flexible conduit.

41. (Currently Amended) The method of claim 38, further comprising the step of:  
compensating for relative movement of the floating structure and the housing using the flexible conduit.

42. (Currently Amended) The method of claim 38, wherein the housing is a housing sized for receiving [øf] a rotating control head.

43. (Currently Amended) The method of claim 38, further comprising the step of:  
allowing debris and cuttings to flow into a theft zone.

44. (Currently Amended) The method of claim 38, wherein the housing comprising:  
a rotatable seal[;] disposed with and sealing the [~~rotatable~~] tubular with the riser.

45. (Previously Presented) The method of claim 38, wherein the downhole location is a predetermined downhole location.

46. (Currently Amended) The method of claim 38, wherein the step of communicating [a] the drilling fluid comprising the step of:

communicating a predetermined volume of the drilling fluid.

47. (Currently Amended) The method of claim 38, wherein the step of communicating [a] the drilling fluid from the floating structure via [a] the flexible conduit comprising the steps of:

pumping the drilling fluid from a mud pump via the flexible conduit into the tubular;

~~[further comprising:~~

~~pumping the drilling fluid into the rotatable tubular]; and~~

managing a well bore pressure by a pump rate[s].

48. (New) A method for moving a drilling fluid using a structure floating at a surface of an ocean, comprising the steps of:

coupling the floating structure and a riser with a flexible conduit;

moving the drilling fluid from the floating structure via the flexible conduit to an annulus of the riser surrounding a tubular; and

moving a portion of the drilling fluid down the annulus.

49. (New) The method of claim 48, further comprising the step of drilling from the structure.

50. (New) The method of claim 48, wherein the tubular is rotatable.

51. (New) The method of claim 48, further comprising the step of moving the portion of the drilling fluid, which has been moved down the annulus, up the tubular, and wherein the step of moving the portion comprises moving the portion of the drilling fluid down the annulus and up the tubular.

52. (New) The method of claim 48, further comprising the step of:

pressuring the drilling fluid to a predetermined pressure as the drilling fluid flows into the annulus.

53. (New) The method of claim 48, wherein the step of moving the drilling fluid from the floating structure comprises the steps of:

pumping the drilling fluid through the flexible conduit; and  
managing a pressure of the drilling fluid in the annulus by controlling a pump rate of the drilling fluid.

54. (New) The method of claim 48, further comprising the step of:

sealing the tubular to the riser with a rotatable seal, the rotatable seal being arranged to rotate with the tubular.

55. (New) The method of claim 54, further comprising the step of:

maintaining a predetermined pressure of the drilling fluid with the rotatable seal.

56. (New) The method of claim 54, wherein the flexible conduit communicates the drilling fluid to the annulus below the rotatable seal.

57. (New) The method of claim 48, further comprising the steps of:

moving the drilling fluid from the floating structure to the tubular; and  
pressurizing the drilling fluid in the annulus at a higher pressure than the pressure of the drilling fluid in the tubular.

58. (New) The method of claim 48, further comprising the step of:

creating a mud cap.